

**COMMITTEE ON ACCOUNTS, ENROLLMENT & REVENUE  
ADMINISTRATION**

**August 26, 2003**

**4:30 PM**

Chairman Shea called the meeting to order.

The Clerk called the roll.

Present: Aldermen Shea, Guinta, Smith, Thibault, Lopez

Messrs: Kevin, Buckley, Brent Lemire, Kevin Clougherty,  
Tom Arnold, Steve Morin

Chairman Shea addressed Item 3 of the agenda:

Communication from Guy Beloin, Financial Analyst II, submitting  
the City's Monthly Financial Statements for the one month ended  
July 31, 2003.

On a motion of Alderman Smith, duly seconded by Alderman Thibault, it was voted  
to accept the report.

Chairman Shea addressed Item 4 of the agenda:

Communication from Kevin Buckley regarding an audit status update.

On a motion of Alderman Lopez, duly seconded by Alderman Thibault, it was  
voted to accept the item for discussion.

Alderman Lopez stated I'm interested in the pier review. Could you explain? I  
know you explained it here a little bit, but is there any financial obligation to that, or  
that's a mandatory requirement?

Internal Auditor Kevin Buckley answered this week I was calling some of the audit  
organizations to find out how much this was going to cost, and what's going on is in  
order to be in compliance with government auditing standards I have to be pier  
reviewed every three years. I belong to the National Association of Local

Government Auditors, and we pier review each other. The way it works is we would pay for probably two pier reviewers to come to Manchester, review the way I do things, review my work papers, and we would pay for their air fare and room and board for the two days they are here. I have asked a bunch of people, small audit shops like myself, how much it's costs them and it's ranges between \$2,000 to \$3,000, in that range. I've talked to Kevin Clougherty, he's pretty sure we can find that in my budget to be able to pay for that. And the other part of it I should let you know is that if they send two people, to pier review me then I would have an obligation to pier review two cities at a later date.

Alderman Lopez asked some of the audits that you're doing here, how are these requests coming in? Who is determining what audits you're going to do and what priority you're going to do?

Mr. Buckley answered I determine the priority, and they come in from many different places. A lot of them start by someone will ask me a question and I'll start looking at it and when I get into it I decide that this is a place that I should be looking at. Other things like the Welfare Department update audit is to be in response to government auditing standards. If I have an audit with significant findings, I have to go back and do a follow up audit, which I working on right now and should be done by the end of the week.

Alderman Lopez asked can you walk me through the Fire Department overtime, because that overtime is something that we're very much interested in. What type of time frame are we talking about to coincide with the City budget next year?

Mr. Buckley answered I've already done a substantial amount of planning work on this and I have a meeting tomorrow over at Fire to talk to them about their procedures and get some information from them and what I'll be doing basically is just a review of overtime and how they generate overtime and how they schedule people and this should probably only be a couple of months before I'm completely done with it.

Alderman Lopez stated just a last comment and then...when we do these things could you possibly put some timeframes on this, because some are going to be more important to us than others. And that's one area that we want to know about that overtime.

Mr. Buckley replied right and if you have any concerns and want something moved to the front, and I have no problem with doing that. And again, this is one that I have been working on and I'm doing it in conjunction, I've got three going on at the same time and I've been putting a substantial amount of time into this one already.

Chairman Shea asked Kevin could you periodically give a report prior to any meetings we have, to the Committee members, so that we come in with some sort of exposure as to certain types of findings that you may have come up with or certain types of information that we may be able to peruse and then be more familiar with? Is that possible? In other words, when you meet with the Fire Department, can you prepare for the members of this Committee some sort of a report or some sort of information so that we would be able to be updated as far as what's going on. This is a critical area and many Board members have indicated concerns. I don't just mean the Fire Department, but overtime in general. Could you do that?

Mr. Buckley answered yes, I could give you updates status of the audit, but I can't...well I'm not comfortable with giving you observations before the Fire Department is had a chance to respond to them and for us to work everything out to make sure that I'm not giving...

Chairman Shea interjected I'm not asking for that, but I'm asking for updates so that we're familiar in terms of information, so in case there is some discussion at Board meetings we're familiar with what's going on if you're not available.

Mr. Buckley replied yes, okay.

Alderman Guinta stated I guess one question that I would like answered from the Fire Department, is when I think it was earlier in the budget cycle, I don't remember if it was this year or last year, we had talked about, probably both years, we had talked about increasing the number of fire fighters to reduce, which would reduce the amount of overtime, and I remember having conversations with the Chief specifically that that would happen. So I'd like to know if the increase...if there was a separate reason for the increase in overtime, or if we need to do something to support the Fire Department, or if it's a management issue.

Mr. Buckley stated adding more fire personnel is one of the things that I'm definitely going to look into, where the breakeven point...

Alderman Guinta interjected but we already did that. I think we authorized fire fighters... Was this last year?

Fire Department Business Service Officer Brent Lemire stated primarily we're working with Kevin tomorrow. We initiated...Kevin has been doing some work on this and the Chief instructed us to initiate a meeting to discuss this issue, and hence I emailed Kevin a week and half ago to get back to this issue. There are changes in the collective bargaining agreement and the working conditions as of July 1<sup>st</sup> that will impact the result of this audit, and it's going to be important. What Kevin and I do tomorrow in addition to the subsequent meetings we're going to have, we're

going to be able to determine if in fact the need to hire outweighs the need for overtime. So this will be come clearer. We are going to study this exhaustively.

Alderman Guinta stated and that's great to do it for the future, but I recall having conversations with the Mayor, Alderman O'Neil and with the Chief, myself, the four of us, and I believe it was the last budget cycle. There was a hiring freeze and the Mayor...the full Board talked about it, about adding fire fighters specifically to reduce overtime and it wasn't the new fire station is was separate from the new fire station.

Mr. Lemire stated I don't know that a final determination was made Alderman at that point.

Alderman Guinta stated well I know that some were hired, because I've met some of them.

Mr. Lemire stated only to fill vacancies. Like now...

Alderman Guinta stated that's what I'm saying. The Chief had told me...the issue is this. There was a hiring freeze. The Chief needed more fire fighters and we debated it at the full Board level, and I think initially the hiring freeze stayed in place and then we had further discussions. When I was talking to representatives from the Union and also with the Chief, I was assured that if we did hire...if we were able to hire more fire fighters at the time, and I think the number was ten, that it wold have a positive impact on overtime, and the Chief told me that specifically.

Mr. Lemire stated we have put on nine fire fighters and those are to fill vacancies and they are currently in recruit training and they'll be done at the end of October. But until then... This is a perennial problem whenever we have the vacancies, we have to hire to replace them and until we get a group of fire fighters on board, we have to hire to plug the holes. We hire a group at a time and send them to recruit school for ten weeks. During that period we have to fill all of those vacancies with overtime. One other point too Kevin's information said that the overtime was usually about \$400,000. I haven't seen a \$400,000 overtime year in years. We traditionally are way over the \$600,000 - \$700,000 range. So unless there were some items that were misplaced in...we haven't had a \$400,000 year since I can remember.

Mr. Buckley stated I ran reports and I had two years that were around \$400,000 - \$450,000 and then this year, which was around \$800,000 and I pulled the reports the same way, but we'll go over that.

Mr. Lemire yes we're going to go over that tomorrow. Just that you know they have been around \$800,000 for several years.

Alderman Guinta stated if you could produce at some point in these discussions, the last series of hires that the Fire Department had for this the last two years. What I'd like to see is when you hire a team of fire fighters, what the impact is, not only just over the ten weeks that they're in training, but going forward. As I understood...

Mr. Lemire interjected it also depends on when we hired them. Our heaviest use of overtime is during the summer months and unfortunately this year we've had nine vacancies during the summer months.

Alderman Guinta stated I think we did this last year, put it somewhere around the time that Mayor provided us with the budget would have been in either March or April.

Mr. Lemire stated the thing is that it's kind of cyclical, and also the fact that we never hire any more than what our compliment is. Several times...a lot of times during the year that we have vacancies that reduce our compliment we're able to use on the line, whatever we don't have in personnel to fill, we have to replace them with overtime. That's our only use, or basically, our most use of overtime is replacing the vacant positions that we have.

Mr. Buckley stated I have one other item that's not on this. As you know in the past we've been working with a company in Alabama, Health Claims Consultant that was doing an audit on Anthem on our insurance, health insurance payments and this an audit we use for information from two years ago and we still have outstanding issues on this and Health Claims would like to grab another big bunch of data from where they ended up until current to see if the things that Anthem was supposed to fix and stopped these bad claims from going through. I would like to present that to you of whether you would like for me to have Health Claims grab some more data and go through it again and the deal we have with them is any recovery, they get 36 percent of the recovery. If they find nothing, then they get nothing.

Alderman Lopez stated the Finance Officer would like to weigh in on that.

Finance Officer Kevin Clougherty stated we are in support of what Kevin is supporting here. As you recall, one of the reasons that you do the health audit is it is a deterrent to try and make sure that only legitimate claims are going through and it keeps the Blue Cross people on their toes. We did a couple of years worth of reviews that are now stale dated and we found some issues that have not been resolved. We don't want to stop the process now, we want to continue and keep going forward and do another batch of more recent years and make sure again they

understand this wasn't a once in a lifetime event and they can relax, we're coming in every year and looking at them. We're still pursuing those other outstanding items Alderman. I had a meeting with Ginny the other day and I think there's a couple of things we might approach the Board on in the next few months.

Alderman Lopez stated just a follow up. On the last bunch, do they owe us any more money on the last bunch?

Mr. Clougherty answered we believe they do. There are some issues that are unresolved. What we would like to find is a way to have those resolved short of going to court and we think there's a way to maybe do that. We've talked to Jack Sherry about perhaps driving a role in there and we're working through that.

Alderman Lopez stated let's say for an example to get this bunch like they did last time and they took the 36 percent and they haven't paid us our particular portion...

Mr. Clougherty responded they only get their 36 percent of what we actually take in.

Alderman Lopez stated but we have outstanding issues...

Mr. Buckley interjected they don't take their 36 percent until we get the credit.

Mr. Clougherty stated and it would be the same on these going forward Alderman.

Chairman Shea stated just by way of clarification, are we talking about a substantial amount here or are we talking about something that is not...without divulging specifics here.

Mr. Clougherty answered actually what the audits have found is that the error rate in our claims processing has been relatively low. I think under two percent or something like that.

Mr. Buckley stated under one percent.

Mr. Clougherty stated which is great, but because we do so many, under one percent is a few hundred thousand dollars that we still feel we need to pursue. So the good news is it's working, and that's why we want to continue this, but it is not an insignificant number Alderman in terms of cash to us. That's real money.

Chairman Shea stated just a follow up. How long a period of time are we going to be pursuing this? Is it before other types of situations develop? In other words, until we bring to court, until it's resolved, and is it six months, is it a year, is it two years? How long? Is there any kind of precedence?

Mr. Clougherty answered we've gotten to the point...since we've done this the first time we're really trying to work through this with the company. It would be nice if we could get to a situation where there's a standard procedure. But right now we've been looking at these for a couple of years and we need to bring to some closure here, so before we go to attorneys we want to try one last run at a different approach and see if that works, and if it doesn't, then we'll probably be back to you and asking for authorization to take legal action.

Alderman Lopez asked do we need to take any action?

Mr. Clougherty stated we'd just like to have a vote of the Board so that we can do the next round. Not that it's required but it gives us some...

On a motion of Alderman Smith, duly seconded by Alderman Lopez, it was voted accept the two reports and to pursue with Health Claims the audit on Anthem Blue Cross.

Chairman Shea addressed Item 5 of the agenda:

Communication from Sharon Wickens, Financial Analyst II, submitting reports as follows:

- a) department legend;
- b) open invoice report over 90 days by funds;
- c) open invoice report all invoices for interdepartmental billings only;
- d) open invoice report all invoices due from the School Dept. only; and
- e) listing of invoices submitted to City Solicitor for legal determination.

Alderman Thibault moved the item for discussion. Alderman Guinta duly seconded the motion and it carried.

Alderman Thibault stated I'm just looking at Page 4 here on this rundown of places. New Beginnings Child Center owes us something like \$1,300. Why can't we collect that money? These people are in business here in town.

Mr. Clougherty asked these are the fire alarm fees for New Beginnings?

Alderman Thibault replied yes.

Deputy City Solicitor Tom Arnold stated if I could respond. Those have been referred over to our office. For a portion of those I in fact brought suit and have gotten a default judgement in attempting to collect it. I got a new invoice for them quite recently; I want to say within the last month that I will be pursuing.

Alderman Thibault stated okay, how about just a little further down from that same slip. We've got another one for \$5,450, Philip Desmarais?

Mr. Arnold answered Mr. Desmarais again is one that's been referred over to our office that I'm handling. I'm basically trying to locate him. I did initiate a small claims suit in district court. I was unsuccessful at getting service on him and am attempting to do that so it can be pursued. When you bring any type of complaint you have to take the paperwork and you have to serve it on the defendant. In this case, I attempted to do it by certified mail, it came back, I sent a Sheriff to the address we have, it came back said not known, didn't work there, so I'm basically in the process of trying to track him down.

Alderman Guinta asked Tom under the comment section where it lists the address in referring to Mr. Desmarais. Is that his place of business or his residence?

Mr. Arnold answered I am not really sure. That's the address I believe I tried having him served at and that came back unknown.

Alderman Guinta asked and the one below this Joshua Irrevocable Trust at 168 Merrimack?

Mr. Arnold answered we in fact have a judgement against them. We set up a payment plan with them. I don't think they've made the payments recently. We have to pursue that, but they did make a number of payments.

Alderman Guinta asked is that for a family trust?

Mr. Arnold answered it's a realty trust I believe.

Alderman Guinta asked who is the owner of that realty trust?

Mr. Arnold answered I don't have that file with me. I could provide you with it.

Alderman Guinta asked could you let me know later on in the week?

Mr. Arnold replied sure.



Alderman Guinta stated because it looks like they own several properties on Merrimack Street. There's also one at 128 Merrimack, 168 Merrimack. Can we find out of those buildings are up to code? Up to all of the codes in the City of Manchester?

Mr. Clougherty asked the addressed on this list Alderman?

Alderman Guinta replied just those specifically. The ones on Merrimack.

Mr. Clougherty asked do you want us to take a look at that with the Building Commissioner and find out?

Alderman Guinta answered yes. If they're not, what do we do? Just by eyesight there are some buildings over that are in disrepair.

Mr. Arnold answered there is a civil citation process that deals with that if buildings are found not to be in compliance with the building code.

Alderman Guinta asked who does that? Who is responsible for determining...?

Mr. Clougherty answered the Building Department I believe.

Mr. Arnold replied the Building Department; it may be the Housing Code Division.

Alderman Guinta asked are they proactive in going out throughout the City?

Mr. Arnold answered generally they are, yes.

Alderman Guinta asked do we ever get a report from that department.

Chairman Shea replied usually if you ask them for it. I've sent them to different places in my ward they will report back.

Alderman Guinta asked does any committee get a report from that entity?

Mr. Clougherty replied my thought would be maybe Lands & Buildings, but I don't believe there's a regular report. I don't know if there are other committees that get regular reports like we provide you on the finances. I don't know if you get those.

Alderman Guinta stated I'd be curious to know what activities they've been up to and... One of the things that you hear, or that at least I hear, from constituents is what can we do about this street. You know there are four neighbors on this street who aren't taking care of their building and I'll go take a look at it and the buildings

are in need of repair. So I refer those specific buildings to that department, but then we never get a follow up. So I was wondering if it's appropriate for somebody to get a quarterly statement or something.

Mr. Clougherty answered sure. If as part of these reports it would be helpful to Committee to have some type of a report from the Building Commissioner, we can ask him to come to the next meeting of the Committee if you'd like to have that.

Alderman Guinta stated I'd like to get a rundown of how things are going and how proactive they are and what results they have achieved.

Chairman Shea stated I know that I'm speaking from my personal in Ward 7. If I ask the Building Department to check on a particular residence or building, they'll give me a report back in terms of that they visited and that these are the types of things that the person was cited for and these things have to be complied by with a certain date.

Mr. Clougherty stated right now this Committee is getting the regular financial reports that we give you, which include the quarterlies plus these types of reports. You also getting I think the reports from the Assessors on a quarterly basis on the valuation of the buildings, so if you want something from Building Code on a similar basis that would talk about the quality of those buildings as that relates to the valuation, I'm sure they'd probably do that for you if you told them. You could format something and get it on a regular basis and look at it. I don't think somebody has asked for it Alderman. That's the only reason it hasn't been supplied.

Alderman Guinta stated I think it's a way that we can upgrade some neighborhoods. There doesn't seem to be any committee oversight. Not that it requires committee oversight, but I'm really more curious than anything else.

Chairman Shea stated I'm not quite sure if our Committee is the one...

Alderman Guinta interjected it would probably be Lands & Buildings.

Alderman Lopez stated I think what would be helpful, though it would put a lot of people through a lot of work, is to identify what we're looking for. Maybe this City Clerk send a memo the Building Department and give us the procedures, because it's a time consuming thing before they can go over there and tear down a building or go to court. So maybe we need to look at first the time. Maybe invite the Building Commissioner at the next meeting to ask him some different questions so we understand.

Chairman Shea stated what I'm just wondering though whether it's our Committee that would be looking at it or Lands & Buildings or...

Alderman Lopez stated I would say refer it to the Lands & Buildings Committee.

Chairman Shea stated I would probably think that it would be more of appropriate. I would say that that...but your suggestion is certainly well received Alderman and I think that could be done, but I really think that if we have a Lands & Buildings Committee, I believe that they should be the ones that would be...

Alderman Lopez stated all I'm suggesting is for them to tell us what the procedure is and then refer the matter to Lands & Buildings.

Alderman Thibault stated starting on Page 6. There's an awful lot of Police extra detail and I notice that most of the people that owe this money are construction companies that in fact Police go out there and work and they don't pay the fees. Why wouldn't we be able to get an up front fee from these contractors to make sure that they cover these expenses? I mean there's a lot of money there if you look at this. We're talking \$25,000 - \$30,000 there. Why couldn't we have these construction companies pay an up front cost before they start or some kind of a bond that they have to pay this or else?

Mr. Clougherty answered we've looked at that Alderman in the past and let me go back and research it and get to you at the next meeting. Maybe it's the type of thing where rather than penalizing everybody up front, if someone's delinquent and has a history of something and they're put on a different list and they have to be treated with...maybe look at it differently that way.

Alderman Thibault stated yes because there's a lot of money here. We're talking \$30,000 - \$40,000 from what I can see here.

Mr. Clougherty stated let me go back and look at what's been proposed in the past and I'll bring that back to you.

On a motion of Alderman Guinta, duly seconded by Alderman Thibault, it was voted to accept the report.

Chairman Shea addressed Item 6 of the agenda:

Communication from Chief Joseph Kane requesting an ordinance amendment to Section 92.25 Annual User Fees.

Alderman Lopez moved the item for discussion. Alderman Guinta duly seconded the motion and it carried.

Alderman Lopez asked what is the permit fee now?

Mr. Clougherty stated he just wants to change the title from "Annual User Fees" to "Annual Fees".

Alderman Lopez stated okay, it's still \$1,000.

Communications Superintendent of the Fire Department Steve Morin stated presently all we have is a user fee and there are certain requirements to have an alarm monitoring organization and some people have been falling lax in some of the requirements, and a user fee just doesn't give us any teeth to keep them to do that. So if we have it as a permit that is required to be renewed, then if they fall below the standards then we can revoke that permit.

Alderman Lopez asked it is \$1,000 now?

Fire Department Business Service Officer Brent Lemire stated no. To capitalize or to add to what Steve said. Right now the vendor charges their customer a certain amount and pays the City a certain fee according to the amount of people that they connect to. The Fire Department has no jurisdiction over these three vendors because there's no permit fee. The intent here...and two out of the three of these vendors are out of town. They're large corporations. What the intent of this ordinance would be, would be allow the Fire Department to regulate the vendors to make sure that they're in compliance with NFPA (Pamphlet 72, whatever the number is) in compliance and to charge themselves \$1,000 permit fee per year. Right now the Fire Department can not regulate them and this would allow the Department to make sure that they're in compliance with all of the regulations before they do business within the City.

Alderman Lopez asked we're losing money then?

Mr. Lemire answered this would be in addition to what we're taking in now.

Alderman Lopez asked \$1,000?

Mr. Lemire answered correct. Right now it would only be \$3,000 more, but what it would allow the Department to do is regulate it, which we have no regulation now.

Alderman Guinta asked who are these people?

Mr. Lemire answered for example ADT, Simplex, Honeywell and Central Alarm I believe are the three vendors that do a large amount of fire alarm business in this area.

Alderman Gatsas asked so just take me through this. So they install fire alarms. I'm not sure what...I understand why there's a necessity for an annual fee, I'm not sure who we are imposing the fee on.

Mr. Lemire stated the people go to the corporation, such as ADT and they say we want you to monitor my house and if something comes in from my house, we want you to go directly to the Fire Department.

Alderman Guinta asked so my house at ADT...?

Mr. Lemire answered it would come right to the Fire Department. The Fire Department would monitor...ADT would come right in to the Fire Department, not unlike a burglar alarm or something like that. This would be a fire alarm system coming directly to the Fire Department.

Alderman Guinta asked so the fee is being assessed to whom?

Mr. Lemire answered to the corporation, ADT for example. A one time, but they would be regulated now that we could ensure...they would have to get a permit from the Fire Department to connect to the Fire Department.

Alderman Guinta asked so all you're talking about is three; there's three companies, so that's \$3,000?

Mr. Lemire replied that's basically it. But the important thing is that now they would have to get a permit from us in order to connect to the City system. Right now we can't...

Alderman Guinta asked so there's a positive fiscal impact of \$3,000?

Mr. Lemire replied correct, fiscally but the real positive thing is that now we can regulate it.

Alderman Smith stated just to pursue this. Wouldn't this have a domino effect on the users? Like say an organization as Honeywell? Honeywell passes their cost onto the individual user?

Mr. Lemire answered it could but they have thousands of vendors, so \$1,000 fee...you figure ADT I believe is out of Texas and they monitor nationwide. It may have Alderman.

Alderman Smith asked you're talking pennies though, right?

Mr. Lemire answered I believe so.

Alderman Guinta stated if they have 1,000 customers in Manchester, they're going to pass that cost onto the customer fee.

Alderman Lopez stated I presume that this has been by the City Solicitor and everything is legal to do this. Right?

Mr. Lemire answered yes.

On a motion of Alderman Thibault, duly seconded by Alderman Guinta, it was voted to approve the request to amend Section 92.25 of the Code of Ordinances.

Chairman Shea addressed Item 7 of the agenda:

Communication from Karen DeFrancis of the Manchester School District regarding a formal resolution for Expendable Trust Funds.

On a motion of Alderman Lopez, duly seconded by Alderman Thibault, it was voted to table this item.

Chairman She addressed Item 8 of the agenda:

Overtime report submitted by the Human Resources Director.  
(Note: Previously forwarded to Board of Mayor and Aldermen and available for viewing in the Office of the City Clerk.)

Alderman Lopez stated I had a discussion with the Human Resources Director and I'll pass it on to the Board members here. How do we want to go about this? How we want to have the departments respond to the overtime report and to what priority, or we want all of them to do it. Do we want to pick out departments and say okay give us a breakdown and explain why...what is your emergencies, what's your plan overtime, how did this happen? And give them some timeframe to give that information back to us or whatever the Committee decided to bring a department head in and go through a whole bunch of discussions and everything, when I think that my recommendation would be to have a department...if anybody's interested in any one department, to give that department head an opportunity to explain his overtime, how it works, and so that we have a better understanding other than...like the Police Department, there's the Fire Department.

What is their procedures on overtime and how does it work with union contracts and all of that before we go on a wild goose chase. So that would be my recommendation.

Chairman Shea asked any other thoughts on the matter?

Alderman Thibault stated I just think that according to what Brent and Guy Beloin just talked about, that they're going to be going through some type of thing like this tomorrow and we'll probably get some good ideas out of that. When that comes out we'll probably have some good ideas how to check some of the other departments.

Chairman Shea stated my thoughts run along the lines of we do have people in the Finance office, we have people in Human Resources, and we also have people who represent different financial situations within departments. Would it make sense for a group to get together and decide as to what procedures might be most helpful, you know in terms of reporting to our Committee, regarding why overtime is necessary and procedures in terms of what can be expected in terms of overtime, and so forth. To me it seems that might be a little bit helpful because in most instances we don't really know what questions to ask because we don't know what information might be available. So it's kind of unasked questions that determine lack of answers in terms of my judgement.

Mr. Clougherty stated that would be fine Alderman. If you want to table this we'll meet with Human Resources. We have some reporting capability and trend analysis and look at things over time and graphs that we could probably add to a report that might be more meaningful. I know when you look at overtime reports, when I do, it's all numbers and it doesn't mean much until you put it on a graph and show what the trend is. So you might want to see more of that and have the backup numbers as well.

Chairman Shea stated it's my understanding that different departments have financial officers representing these departments. The Fire Department, the Police Department, the Parks & Rec Department, the Health Department. Wouldn't it make sense for these people to meet with you and Human Resources and come up with certain types of protocol, certain types of questions that might be asked, certain types of techniques or procedures, and so forth, so that there is no misunderstanding in terms of why a department needs people to work overtime and why a department may have a way of giving that information to us so that if there are concerns about overtime obviously people can say well it's justified. Nobody is trying to do anything that's not according to what should be done. So these are the kinds of things that personally as Chairman of this Committee I would like to see done. Now Alderman Lopez offered another thought, but whatever.

Alderman Lopez stated I support your idea Mr. Chairman.

Alderman Thibault stated I'd like to table it seeing as we can get more information on it.

Alderman Guinta asked refresh my memory? The numbers for overtime in the last two budgets total for the City? Was it like \$7 or \$8 million each year?

Mr. Clougherty answered I don't know the answer to that. They were significant Alderman, but I don't have that...

Alderman Guinta interjected it was like \$6 [million] maybe the year before, and \$7 [million] and change this year?

Mr. Clougherty stated they were high.

Alderman Guinta stated I'm not looking to...I don't want to start pointing fingers at people...I don't want to look at this in a negative light, but I want to look at it in a very reasonable and very real light. Because \$7 million in a \$105 million budget, to me is excessive. That is extremely excessive. I understand that there are certain emergencies that require overtime, whether it's Police, Fire, Water Works. I'm sure that there are some emergencies at Health and Highway, there are emergencies. I know that the contracts have a fiscal impact on the overtime budget and I think it's certainly something that we're going to have to review. I suspect the full Board is going to want to discuss this in September. I plan on bringing it up under new business if it's not...even if it's tabled here I think it warrants a discussion of the full Board, because to me \$7 million in overtime is an alarming number. I'm certainly happy and supportive of trying to come up with some guidelines as Alderman Lopez and Chair suggested, but I think there is going to be some intense discussion regarding this particular issue in September.

Mr. Clougherty stated there are in place procedures for the authorization of overtime and sign offs and all of that, so in terms of the approval process that is there. The terms of our ability to report to you on a regular basis off the system, what has been used by department, even by sub-department. We've run off reports that you can look at that will show you by operation.

Alderman Lopez stated let me correct that. What you don't have...let me first tell you that the Human Resources Director is on vacation. That's why she's not here. But she has been able to break it down by department and we can get that report to you with no problem. When she comes back I'll mention that to her, and at the same time a question she wanted to know. How often do we want this overtime report, because it's a lot of paper?



Alderman Guinta replied well you can email it to me. I don't need it on paper. I'm happy to have it emailed to me. I think everything should be emailed to the Aldermen, assuming everyone has access. I'm not worried about the cost of the paper so much as the \$7 million that we're spending on an annual basis and it seems to be rising with no end in sight. I don't necessarily want to see a report generated every month or quarter, what I want to see is some sort of action plan devised by Human Resources and department heads how to reduce overtime and provide some savings to the City.

Alderman Smith stated I have the report here for the overtime and as you can see it's quite bulky, and some of the departments like Police, Fire over a million dollars. Some are recurred because the Police Department going on extra detail and so forth. But I really think that what you've got to do is you got to go to the individual department head and have him explain the reasons why the overtime is necessary then come back to us rather than us going on a witch hunt before we know the facts. Like I said it might be a snowstorm, it might be a big fire alarm and call people on duty.

Chairman Shea stated I think that makes a lot of sense because I think that no one wants to be burdened and I do have this. But I think that if we could get...once you get together with these people, we could get a monthly breakdown, not of names necessarily, but of numbers and why it's necessary. Certain salient questions that could be answered without necessarily giving a voluminous type of report back.

Mr. Clougherty stated and that was my point Alderman, is that rather than giving you a statistical report, certainly if you want that you can have it, you could take that and on one page...I remember Diane and Kevin did some work in our office on this about a year ago and they took like the Fire Department for example and they said okay here's the Fire Department and you would get for five years the last overtime that's been spent so you could look on a graph and see has it been going up or going down by year. So here's the five years and maybe this year is down and you've got a graph. And you can visually see what's going on there. Underneath that they took and broke it out to the divisions of the department and you could see, okay there's not an awful lot in this division or that division, but there's an awful lot in the line. It seems to me that when you look at that and the snapshot says that's where we need to focus, not on the whole department, but in that one area, and when you look at it you say well it's really the, for example, the fire response, or in Highway, it's in snow plowing, it's not in garbage collection or refuse collection. You look at that and you can see five years for each of those operations, you get a sense of where the money is and that would a committee like this to focus on certain areas. You could labor through all of these statistical reports for a long time and they may not be as useful to you in terms of trying to develop a standard set of maybe ten pages of reports that are done with graphs by department

and sub-department and a total citywide. That's what I was going to talk to some people about to see if there's some way that we could make it easier for you as decision makers to get the information in front of you at a more useful format, then once you have that in September, I agree with you Alderman, once you have that in front of you for all of these departments you could say, you know what, we need to focus on overtime but we really need to focus on it in these areas and make it a more useful directive than something more general. That's all I was saying, if you give us a month, we'll go back to the departments, we'll try to develop that format for a graphic report rather than just a statistical report, you look at that generation of reports and say all right I like this, then maybe we can hardwire it into the system so that those reports are generated regularly and it's not an onerous effort on the part of Human Resources to be coming up with these all of the time. It would just be generated automatically by the system.

Chairman Shea stated one of the things as you were talking occurred to me, the key question is why do we have overtime? What are you doing in order to prevent overtime from occurring? What suggestions might you have to make it more effective to run your department without having to have overtime? Questions of that sort. These are the kinds of things...if overtime is compiled we want to know as a Committee why it had to be and also where it was applied, so that people can justify the fact that there is a justification for overtime. I think these are the key things. It's not who gets it and that's irrelevant in my opinion.

Alderman Guinta stated I don't think it is irrelevant who gets it. We'll take the example...this report that is in front of the Committee identifies it by person, then it further identifies it by emergency or non-emergency, so that gives you a pretty good indication of who is getting how much money and when. And let's just take the Police Department for example. I don't know the different pay grades but if you have an officer making \$15.00 an hour versus an officer making \$35.00 an hour, it is important who is getting the overtime.

Chairman Shea stated well the point that I'm trying to get at is that the department head has to come in and explain to us who, in other words, why this is necessary to do that. In other words...

Alderman Guinta interjected in that example it's necessary because of a negotiated agreement between and the City and that has a fiscal impact and that's adding to...

Chairman Shea interjected I think your implication is that there is certain types of people who are favored to be given overtime in lieu of other people. Is that what you're implying?

Alderman Guinta answered I'm not implying it, I'm saying it. If you have 15 years on the force, you're going to get overtime before the guy who is one year on the force because it's required in the union contract. It's a fact. So at some point we need to sit down with the Police Department, I'm just using them as an example, and say you know what, you're helping one guy, but you're hurting seven others and as we go forward in negotiating contracts, those are the things that we need to start to look at by way of...we can increase, believe it or not we can increase the funding to the Police Department by restructuring the contract to spread out that overtime money because if an officer who is being paid \$15.00 an hour, I'm just using the number, I don't know what they're paid off the top of my head, but if I'm \$15.00 an hour and I do ten hours of overtime, but my captain does that same amount of hourly overtime but he's paid at \$35.00, or she's paid at \$35.00 an hour, we're helping one person but we're not helping the three or four or five other people lower down on the food chain. And as a result we're taking money away from the Police Department.

Chairman Shea stated well I don't think that the people running departments are going to do certain things that would add more money to their departments.

Alderman Guinta stated but they're not doing it on purpose. They are not favoring one person or the other. The nature of the contract mandates that someone with higher number years of experience, is the first choice for overtime. That's just a fact. It's not a right or a wrong; it's a fact for...

Chairman Shea stated well when you brought up the fact as to who, you're now switching to contractual agreements, which again is a separate issue. That's what I'm trying to get across. When I brought up the nature of who gets the overtime pay, I'm sure every department head looks into their department and says if this is a non-exempt employee or an exempt employee, is it someone that is able to fill this slot. In other words, you cannot give overtime to a fire fighter in the Fire Department if it requires overtime to be given to either a Lieutenant, Captain or District Chief, that's really what it amounts to.

Mr. Clougherty stated I agree with you Alderman. You are really both right. The departments and the Human Resources Department really makes sure that only people that are eligible to get overtime get overtime, and they do that in accordance with the contracts. But the system that has been set up by the contracts is maybe not as beneficial to the City as it could be if you allowed for a different approach. And that's I think Alderman Guinta's approach.

Alderman Guinta stated that's my point.

Mr. Clougherty stated because if you could have more people on the lower ranks doing the overtime, rather than fewer, you're going to get more hours of service out there, which is good, and you're going to get...but again, until you do the analysis by department and look at all of this approach, you're speculating and you're not narrowing down to confirm that's true, or if you get the information you need to make some decisions.

Alderman Guinta stated but this report actually identifies names and their ranks and the amount. So it's not necessarily speculation. There's actually exempt and non-exempt on that list who received overtime. Which is surprising to me.

Mr. Clougherty stated that's what I'm saying Alderman.

Alderman Guinta stated I think there does need to be a very broad and very detailed explanation, but I think going forward...

Mr. Clougherty stated let us look at that and try to come back to you with...

Alderman Thibault stated we should be tabling that and they can come up with some system that will work throughout all of the departments.

Mr. Clougherty stated I think we know what you want is some type of a reporting mechanism that is going to help you identify these and it's probably going to be some combination of these reports and some graphics.

Alderman Guinta stated and idea here isn't to point the finger at someone and say you're the problem, the idea is to use these resources the best way we can.

Chairman Shea added no question about that.

Mr. Clougherty stated an inquiry type of thing that you're really looking for to be able to figure out how to use your resources better. Give us until the next meeting, we'll try to come back with some suggestions.

Alderman Lopez stated I just have a question. I think if I may Alderman, we can table the document but we give guidance that the Finance Officer and Human Resources Director take in Alderman Shea's comments and my comments and the Board's comments and Frank's comments, to come up and devise what Kevin is speaking of, so that we have a working document.

On a motion of Alderman Thibault, duly seconded by Alderman Lopez, it was voted to table this item until next month's meeting and the Finance Officer will bring back some suggestions that will help the Committee identify these problems.

Chairman Shea addressed Item 9 of the agenda:

Communication from Scott A. Bassett of McGladrey & Pullen regarding their June 30, 2003 audit plan for the City.

Deputy City Clerk Piecuch stated the Clerk will also note that unfortunately this item is labeled incorrectly in your agenda and your handout. Item 9 is really Item 10 in your handout.

Mr. Clougherty stated Aldermen this is the standard letter that we get from Scott. As you know, we just finished one fiscal year, we're going to start doing the audit. This is Scott coming in and saying here's the general outline of our approach to conducting that audit that you're going to get a report on in several months out. So he's just getting on the record saying he's getting started and here's what he's going to be doing. It's a standard letter developed on CPA and GFOA guidelines. We are okay with it, we think he is...

On a motion of Alderman Smith, duly seconded by Alderman Thibault, it was voted to accept the communication.

Chairman Shea stated just one question Kevin. Could you give us just a quick...how did we finish the year in terms of...? Did we do okay?

Mr. Clougherty answered very preliminarily. We've been looking at some of the dollars the other day and I think on a budget basis we were just about even. We were within about \$50,000 before we do any of the gap adjustments. So again, I think we're on target with what we told you for fund balance and all of these other things, and you'll be all right in that respect.

Chairman Shea asked so basically we didn't finish in the red?

Mr. Clougherty answered no. You're okay.

Chairman She stated I'm sure that you'll give us a more detailed...

Mr. Clougherty answered sure. We're still trying to close out and do all of the adjustments, but it looks...

Alderman Lopez stated I think it's been mentioned and maybe it wasn't passed on to all of the Assessors, but if the City Clerk could remind them we said that we'd like to have them at the accounts meeting, we'd like to have monthly reports on the assessed valuation and everything, and we haven't received any of that. I know

Steve is out, but if we could pass that information on so we can get that information to us.

Deputy City Clerk Piecuch stated I would be more than happy to make sure we get a letter over to them.

## **TABLED ITEM**

Chairman Shea addressed Item 10 of the agenda:

Communication from Randy M. Sherman, Deputy Finance Officer,  
submitting The City of Manchester's Monthly CIP/Federal & State Revenue  
Report for the eight months ended February 28, 2003.

Mr. Clougherty stated Mr. Chairman my recollection was you tabled that at our request when we were going through the process of trying to look at the IRS audit and what projects needed to be accelerated and that's why you tabled that report. You've since been getting other reports. So I'm not sure you need to have that on there any more.

On a motion of Alderman Thibault, duly seconded by Alderman Guinta, it was voted to take Item 10 off from the table.

On a motion of Alderman Thibault, duly seconded by Alderman Guinta, it was voted to receive and file.

There being no further business to come before the Committee, on a motion of Alderman Guinta, duly seconded by Alderman Smith, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee